

REPUBLICAN CAUCUS

THE COMMITTEE ON THE BUDGET

B-71 Cannon House Office Building
Washington, DC 20515
Representative Paul D. Ryan, *Ranking Republican*

Phone: (202)-226-7270
Fax: (202)-226-7174
Augustine T. Smythe, *Republican Staff Director*

WHO *REALLY* CARES ABOUT HEALTH CARE?
REPUBLICAN AND DEMOCRATIC BUDGETS COMPARED

12 March 2008

THE DEMOCRATIC BUDGET	THE REPUBLICAN BUDGET
No Health Care Reform. Does nothing to address America's 47 million uninsured; continues to drive up health care costs, making it harder for Americans to afford health coverage.	Eases Upward Pressure on Health Care Costs. Enhances state flexibility by block granting Medicaid acute-care benefits to States. Encourages Transparency. Fosters information-sharing in the marketplace so consumers have the tools they need to make the right choices.
No Entitlement Reform. Does nothing to rescue Medicare from bankruptcy, allowing Medicare's unfunded liability to grow from \$34 trillion now (\$300,050 per household) to \$45 trillion (\$395,065 per household) over the next 5 years.	Addresses Medicare's Fiscal Crisis. Takes steps toward rescuing Medicare from currently unsustainable spending growth; reduces unfunded liability by at least \$11 trillion.
No Response to Medicare Trustees' Warning. Fails to provide for required legislation responding to 2 consecutive years in which Medicare will tap general revenue for more than 45 percent of its funding.	Responds to Medicare Trustees' Warning. Reconciles and locks in savings from Medicare funding warning legislation; directs savings solely to deficit reduction, helping Medicare fulfill its mission.
More Erosion of Private Plans. Includes a nominal \$750 million (over 5 years) reconciliation instruction to Ways and Means to leverage higher government Medicare spending by cutting successful and cost-efficient Medicare Advantage plans.	Makes Meaningful Reforms in Medicare. Expands protections against catastrophic medical costs; simplifies beneficiaries' contributions; increases flexibility for hospitals serving unusually high numbers of low-income patients.
Expands Government Health Entitlements. Contains "reserve funds" to: increase SCHIP by \$50 billion, with no targeted offset, thereby promising more spending and taxes, with no efficiencies; "delay administrative rulings," further adding to Medicare's unsustainable growth; promise unspecified spending amounts for a long list of health care priorities, again with no targeted offsets, and no reform.	Prevents Frivolous Lawsuits. Caps noneconomic damages in medical malpractice lawsuits, ensuring the cost is not passed on to consumers in the form of higher health care premiums.